



PRESS RELEASE

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FOR IMMEDIATE RELEASE
March 29, 2011

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FDIC Board Approves Joint Proposed Rule on Resolution Plans and Credit Exposure Reports for Covered Systemic Organizations

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved a joint Notice of Proposed Rulemaking (NPR) for certain organizations to file and report resolution plans and credit exposure reports as required in Title I, Section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Resolution Plans would have to be submitted within 180 days of the effective date of a final regulation, and Credit Exposure Reports would have to be filed 30 days after the end of each calendar quarter. The NPR is to be issued jointly with the Board of Governors of the Federal Reserve System.

"The ability to plan in advance for the orderly resolution of a systemic entity is key to ending Too Big To Fail. Viable resolution plans will require systemic institutions to conduct a strategic analysis on how they could be resolved under the bankruptcy code as well as evaluate significant credit exposures and other key information across the entities and their affiliates," FDIC Chairman Sheila C. Bair said. "These plans will be instructive to institutions as a way for them to better understand how their business lines interact and how to mitigate the effects of failure risk. The plans also will help inform the FDIC on how to lessen the systemic ripple effects in the event one of these companies must be resolved under the new Orderly Liquidation Authority."

Under the Dodd-Frank Act, holding companies with assets of \$50 billion or more and other covered non-bank financial companies supervised by the Federal Reserve must report periodically to detail their resolution plans and report significant credit exposures. Under the NPR, covered companies would be required to identify and map their business lines to legal entities and provide integrated analyses of their corporate structure; credit and other exposures; funding, capital and cash flows; domestic and



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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foreign jurisdictions in which they operates; their supporting information systems and other essential services; and other key components of their business operations.

On a quarterly basis, covered companies would be required to submit a Credit Exposure Report to outline the nature and extent of credit exposures. Foreign-based companies would submit reports only on their U.S. operations.

At a minimum, a covered company headquartered in the U.S. would be required to provide information on both its domestic and foreign operations. A foreign-based company would be required to provide information on its U.S. operations and explain how resolution planning for its U.S. operations is integrated into the foreign-based company's overall interconnections and interdependencies.

The proposed rule will be out for comment 60 days after publication in the Federal Register.

Attachment: [Notice of Proposed Rulemaking on Resolution Plans and Credit Exposure Reports - PDF \(PDF Help\)](#)
